What is ENERGY STAR?





Nationally recognized brand that identifies energy efficient products, homes, and buildings.

ENERGY STAR Fundamentals



- Voluntary
- Saves Energy
- Prevents Pollution
- Profitable for partners

ENERGY STAR Purpose



- Preventing Pollution through energy savings
 - Section 103 of the Clean Air Act as Amended in 1990 (EPA ENERGY STAR)
- Promoting development and commercialization of energy efficient appliances
 - Section 127 of the Energy Policy Act of 1992 (DOE ENERGY STAR)
- Legislation directs agencies to establish voluntary programs that promote products more efficient than minimum Federal or State codes

ENERGY STAR Specification Setting Criteria



- Energy Efficiency product should be among the most efficient in its class
- Commercial Availability must be readily available in the market, cannot rely on proprietary technology owned by one manufacturer
- Cost effectiveness of price premium if there is a premium, should be justified to the consumer based on cost savings or other benefits
- Performance qualified models must perform as well or better than other models on the market

ENERGY STAR Specification Setting in Practice



Not all products will qualify...

- Clothes Washers were added to program in 1997 only 6.5% of models, representing less than 1% of market share qualified
- Industry estimates that ENERGY STAR qualified central HVAC models will have only 4% market share when new specification takes effect in October 2002
- Current ENERGY STAR Appliances market share 10 30%
- Market share higher for qualified consumer electronics & office equipment

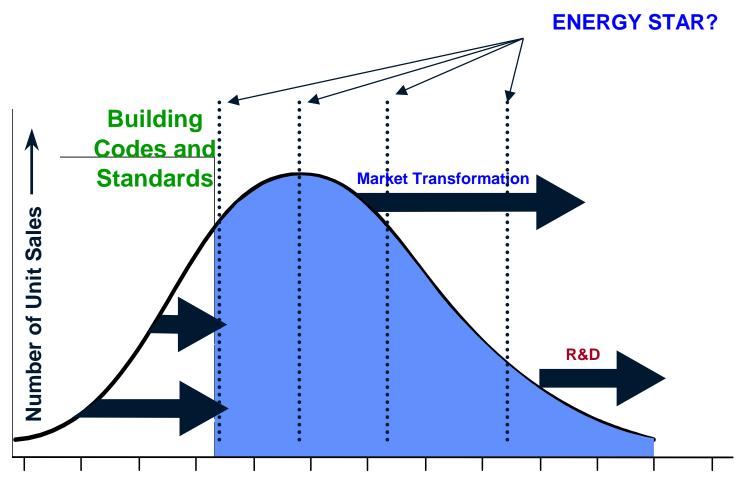
ENERGY STAR Windows Specifications



- Goal in setting specification in 1998 was to boost market share of Low-E glass
- ENERGY STAR market share has risen from less than 5% in 1997 to, an expected, 35% in 2002.

Positioning ENERGY STAR On The Curve





Increasing Energy Efficiency (Metrics) ———

ENERGY STAR Windows Specifications



- Goal in setting specification in 1998 was to boost market share of Low-E glass
- ENERGY STAR market share has risen from less than 5% in 1997 to 35% in 2002.
- How should DOE adjust specification given changes in building codes and the marketplace?